

**CITY OF MINNEAPOLIS
NUISANCE CONDITION PROCESS REVIEW PANEL**

**In the matter of the Appeal of
Director's Order To
Demolish the Property
Located at 2126 Fremont Avenue N.
Minneapolis, Minnesota.**

**FINDINGS OF FACT,
CONCLUSIONS, AND
RECOMMENDATION**

This matter came on for hearing before the Nuisance Condition Process Review Panel on August 12, 2010. Noah Schuchman, chair, presided and other board members present included Patrick Todd, Pete Pelletier and Bryan Tyner. Assistant City Attorney Lee C. Wolf was present as *ex officio* counsel to the board. Thomas Deegan represented the Inspections Division at the hearing. No one appeared on behalf of the owner Original Resources. Based upon the Board's consideration of the entire record, the Board makes the following:

FINDINGS OF FACT

1. 2126 Fremont Avenue N. is a duplex in the Jordan Neighborhood. The 2.5 story structure was built in 1900. The building is 2,316 square feet and sits on a 7,850 square foot lot.
2. The property located at 2126 Fremont Avenue N. has been determined to be substandard. A recent Code Compliance Inspection resulted in numerous orders including: repair interior surfaces throughout, repair/replace appliances, repair/replace windows, repair/replace roof, repair/replace exterior walls, repair foundation, replace rotten posts and beams, replace both furnaces and heating distribution systems, and install missing water piping and sinks to code. Twenty three (23) housing orders to remove rubbish, cut grass/weeds and remove refrigerator/freezer have been issued to the property since January 2009.

3. The Assessor rates the overall building condition as average minus and uninhabitable.

4. The Inspections Division of the City of Minneapolis determined that the property at 2126 Fremont Avenue N. met the definition of a Nuisance under Minneapolis Code of Ordinances (hereinafter "M.C.O.") § 249.30. The applicable sections of M.C.O. § 249.30. provide that (a) *A building within the city shall be deemed a nuisance condition if:*

(1) *It is vacant and unoccupied for the purpose for which it was erected and for which purpose a certificate of occupancy may have been issued, and the building has remained substantially in such condition for a period of at least six (6) months.*

(2) *The building is unfit for occupancy as it fails to meet the minimum standards set out by city ordinances before a certificate of code compliance could be granted, or is unfit for human habitation because it fails to meet the minimum standards set out in the Minneapolis housing maintenance code, or the doors, windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty (60) days.*

(3) *Evidence, including but not limited to neighborhood impact statements, clearly demonstrates that the values of neighborhood properties have diminished as a result of deterioration of the subject building.*

(4) *Evidence, including but not limited to rehab assessments completed by CPED, clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.*

5. Pursuant to M.C.O. § 249.40(1) the building located at 2126 Fremont Avenue N. was examined by the Department of Inspections to ascertain whether the nuisance condition should be ordered for rehabilitation or demolition. Considering the criteria listed in M.C.O. § 249.40(1) the Inspections Department found:

a. The estimated cost to rehabilitate the building is \$114,954.00 and \$149,470.00 based on the MEANS square footage estimate. The assessed value of the property for 2009 was \$115,500 and for 2010 the assessed value is \$40,000. The after rehab market value is estimated at \$140,000 based on the assessment of an independent appraiser.

b. The Jordan Area Community Council and property owners within 350 feet of 2126 Fremont Avenue N. were mailed a request for community impact statements. The Department of Inspections received one (1) in response. The statement indicates that the property has had a negative impact on the community for over 30 years and should be demolished as soon as possible.

c. In 2000 the vacant housing rate in the Jordan Neighborhood was around 7%. Of the approximately 726 houses on the city's Vacant Building Registration, 113 are in the Jordan Neighborhood, a neighborhood of approximately 2,666 housing units.

6. The building located at 2126 Fremont Avenue N. was condemned for being a boarded building on September 2, 2008, and was added to the City Vacant Building Registry on December 12, 2008. The building has remained vacant and boarded since the fall of 2008.

7. Taking into account the criteria listed in § 249.40(1) a notice of the Director's Order to Raze and Remove was mailed on April 9, 2010, to Pearl Grace; Craig Murphy; SB

Holdings LLC; GRP Financial Services Corp.; MERS; and Fremont Reorganizing Corp. On April 15, 2010, Brian Humphrey filed an appeal of the order to demolish stating that “Complete rehab of the property. Code Compliance and permits necessary for completion. Need approximately 6 months to complete the work.” A hearing was set for August 12, 2010.

8. At the August 10, 2010, hearing neither Brian Humphrey nor anyone else representing anyone with an ownership interest appeared to request an opportunity to rehab the property. At the current time there are no bids or formal plan to rehabilitate the property.

CONCLUSIONS

1. The building located at 2126 Fremont Avenue N. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(1) as the building is vacant and unoccupied for the purpose for which it was erected and the building has remained in such a condition for a period of at least six months.

2. The building located at 2126 Fremont Avenue N. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(2) as the building is unfit for occupancy as it fails to meet the minimum standards set out by city ordinances before a certificate of code compliance could be granted, or is unfit for human habitation because it fails to meet the minimum standards set out in the Minneapolis housing maintenance code, and the doors, windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty (60) days.

3. The building located at 2126 Fremont Avenue N. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(3) as evidence, including but not limited to


neighborhood impact statements, clearly demonstrates that the values of neighborhood properties have diminished as a result of deterioration of the subject building.

4. The building located at 2126 Fremont Avenue N. meets the definition of a nuisance condition as set forth in M.C.O. § 249.30(a)(4) as evidence, including but not limited to rehab assessments completed by CPED, clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.

5. The building located at 2126 Fremont Avenue N. meets the definition of a nuisance condition as defined by M.C.O. § 249.30 and a preponderance of the evidence, based upon the criteria listed in M.C.O. § 249.40, demonstrates that the building needs to be razed. The building has been vacant and boarded or over two (2) years. There is no current plan in place by anyone, with an interest in the property, to rehabilitate the property. With no plan in place to rehabilitate the property and no timeline to complete any rehabilitation the building will continue to be a nuisance in the neighborhood and affect the values of the surrounding properties.

RECOMMENDATION

That the Director of Inspections' Order to Raze the building located at 2126 Fremont Avenue N., Minneapolis, Minnesota, be upheld.



Noah Schuchman, Chair
Nuisance Condition Process Review Panel